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**STATE AND LOCAL  
SALES AND USE TAX REPORT**

**2001**

**Wisconsin Department of Revenue  
Division of Research and Policy  
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## **STATE AND LOCAL SALES AND USE TAX REPORT 2001**

This report shows:

1. State Sales and Use Tax by Business Code
2. Baseball Park District Sales and Use Tax
3. Football Stadium District Sales and Use Tax
4. Premier Resort Area Tax by Municipality
5. County Sales and Use Tax by Business Code and by County

The data are for sales that occurred in calendar year 2001, and were obtained from Wisconsin sales and use tax returns filed with the Wisconsin Department of Revenue. Premier resort area taxes are shown for calendar years 1999, 2000 and 2001.

The state sales and use tax table shows the number of sales tax filers, gross receipts, taxable receipts, and state sales and use taxes. The baseball park district and the football stadium district sales and use tax sections present sales and use taxes distributed to the Southeast Wisconsin Professional Baseball Park District and the Green Bay/Brown County Professional Football Stadium District, respectively. The premier resort area tax table shows premier resort area taxes in 1999, 2000 and 2001 for the two municipalities that impose the tax. The county sales and use tax table shows, for the 55 counties that imposed the tax in 2001, the number of filers, taxable receipts, the percentage distribution of taxable receipts among business codes, and county sales and use taxes.

The business codes used in the tables generally correspond to the Standard Industrial Classification (SIC) codes published by the U.S. Office of Management and Budget. The Department of Revenue assigns each business a business code based on information provided by the business when it applies for a seller's permit. About one-third of all filers and about three-fifths of filers in retail trade are classified in business code 59, miscellaneous retail.

Caution should be exercised in using the data as a measure of economic activity for a particular business code for the following reasons:

- Since a multi-sector business is assigned the business code corresponding to its major activity, receipts for that activity may be overstated in the report, and receipts for its other activities understated. For example, automotive dealers and gasoline service stations are assigned business code 55 and automotive repair, services, and parking are assigned business code 75. If an automotive dealer also repairs and services cars, taxable receipts from the repair and servicing operations will be included under business code 55, thus overstating receipts for automotive dealers and gasoline service stations and understating receipts for automotive repair, services, and parking.

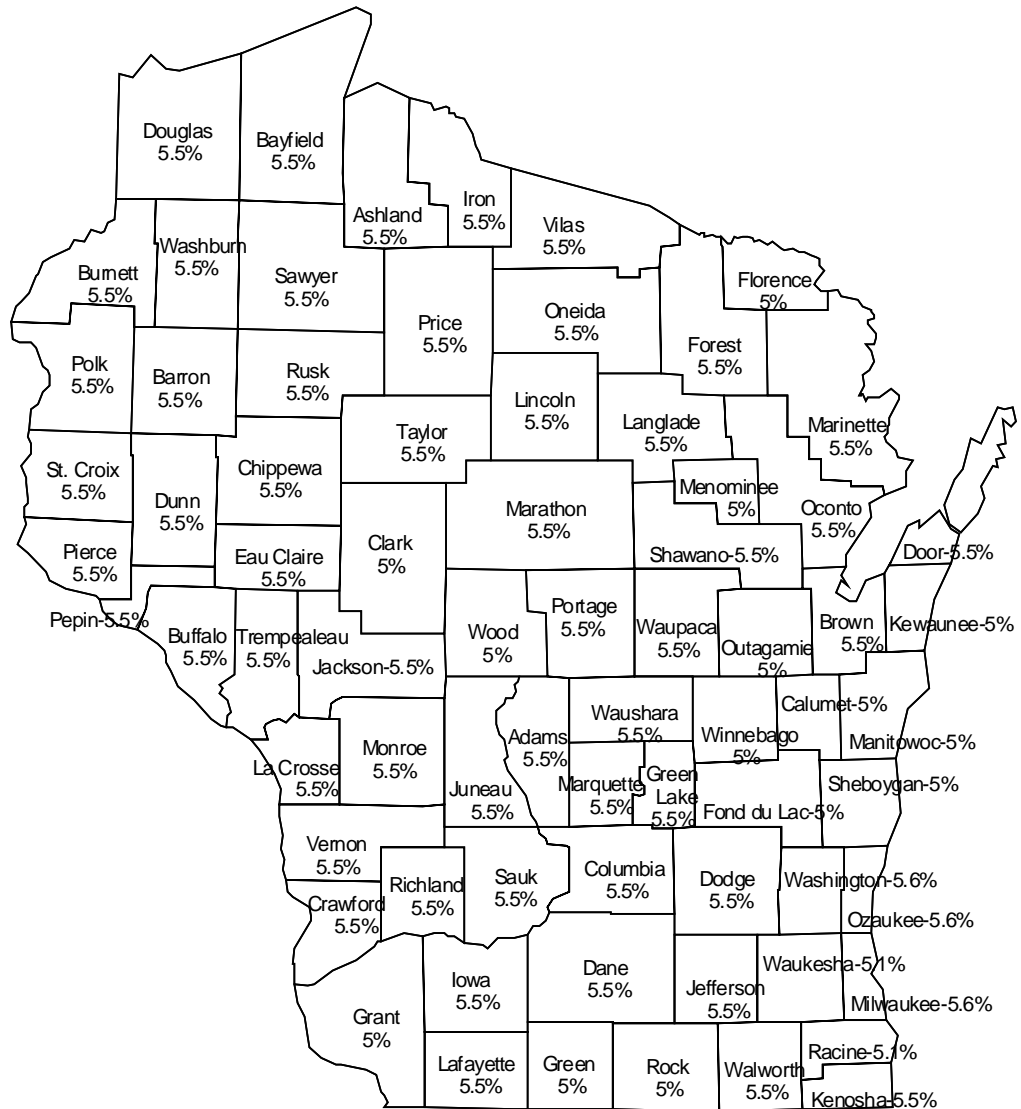
- A business originally assigned one business code may evolve over time such that another business code would be more accurate, but its business code may not have been updated.
- "Taxable receipts" is not a reliable measure of economic activity. Many sales are exempt either because the good or service sold is not taxable (e.g., food, prescription drugs, haircuts) or sales to the buyer are not subject to tax (e.g., sales for resale, sales to religious organizations, schools, units of government).
- "Gross receipts" in the state sales and use tax table understates total economic activity because businesses that do not sell taxable goods and services are not required to file sales tax returns. In addition, businesses that do file may not report gross receipts for sales that are not taxable. For example, a pharmacy in a clinic may sell only goods that are not taxable, and so would not file a sales tax return. In contrast, a pharmacy that has taxable sales may report its gross receipts from both taxable and non-taxable sales or may report only its gross receipts from taxable sales.

The map on the following page shows the total sales and use tax rate in each county as of December 31, 2001.

- 14 counties had a total rate of 5% (5% state sales and use tax)
- 2 counties had a total rate of 5.1% (5% state and 0.1% baseball park district sales and use tax)
- 53 counties had a total rate of 5.5% (5% state and 0.5% county sales and use tax, excepting Brown County, where the 0.5% rate is the football stadium tax)
- 3 counties had a total rate of 5.6% (5% state, 0.1% baseball park district and 0.5% county sales and use tax).

The map does not show the two municipalities that levy the premier resort area tax.

## TOTAL SALES AND USE TAX RATE BY COUNTY, 2001



## 1. STATE SALES AND USE TAX BY BUSINESS CODE, 2001

State sales and use tax collections, including interest and penalties, totaled \$3,532,656,806 for taxable sales and purchases in calendar year 2001. Since sales and use tax falls primarily on tangible personal property sold to final consumers, businesses classified in retail trade accounted for most sales tax—60% of total state sales taxes and 52% of registered filers.

Table 1 shows the number of filers, gross receipts, taxable receipts, and the amount of state tax for each business code.

### **Number of Filers**

"Number of Filers" is the number of businesses in a business code that filed a sales and use tax return in 2001.

Since "occasional sales" are sales by individuals who do not hold a seller's permit, the number of filers for this code is zero. Occasional sales include sales by one individual to another of used motor vehicles, boats, snowmobiles, mobile homes 45 feet or less in length, trailers, semi-trailers, all-terrain vehicles and aircraft. Use tax is collected when the vehicle is registered with the state.

### **Gross Receipts**

"Gross Receipts" is total sales reported on sales and use tax returns. For the reasons noted on pages 1 and 2, gross receipts understates total economic activity.

### **Taxable Receipts**

"Taxable Receipts" is the sum of receipts from taxable sales and purchases subject to use tax.

### **Sales and Use Taxes**

"Sales and Use Taxes" is the amount of state sales and use tax paid, including interest and penalties. It does not include the "retailer's discount", which is the amount sellers are permitted to retain for collecting the tax.

The amount of tax remitted by the businesses in a business code may exceed the 5% state sales tax rate due to use tax, interest and penalties. For example, manufacturing firms had taxable receipts of \$1,628 million and paid \$127 million in tax, which is about 7.8% of their taxable receipts. Manufacturers remit a significant amount of use tax on their purchases from out-of-state suppliers in addition to the sales tax owed on their taxable receipts. Interest and penalties may also account for some of the difference.

**TABLE 1**  
**WISCONSIN SALES AND USE TAX BY BUSINESS CODE, 2001**

<b>Business Code</b>	<b>Description</b>	<b>Number of Filers</b>	<b>Gross Receipts (\$ million)</b>	<b>Taxable Receipts (\$ million)</b>	<b>Sales and Use Taxes (\$ million)</b>
20-39	Manufacturing	7,219	\$53,562.1	\$1,627.9	\$126.7
40-49	Transportation and Public Utility	1,513	14,462.2	7,546.0	410.3
50-51	Wholesale Trade	5,153	34,141.4	3,032.3	165.4
52-59	<b>Retail Trade (subtotal)</b>	<b>80,261</b>	<b>104,713.8</b>	<b>41,343.6</b>	<b>2,102.7</b>
52	Building Materials, Hardware and Farm Equipment	4,002	8,845.1	3,779.5	199.3
53	General Merchandise	723	9,095.6	6,666.5	336.2
54	Food Stores	3,024	14,680.3	2,904.3	146.2
55	Auto Dealers and Gasoline Service Stations	5,645	26,489.9	10,324.3	520.5
56	Apparel and Accessories	1,789	2,900.1	1,880.0	94.6
57	Furniture and Home Furnishings	3,062	4,118.7	2,525.9	131.5
58	Eating and Drinking Places	13,430	6,781.7	5,072.4	254.9
59	Miscellaneous Retail	48,586	31,802.5	8,190.5	419.5
60-67	Finance, Insurance and Real Estate	936	1,283.0	262.0	17.1
70-89	<b>Services (subtotal)</b>	<b>47,962</b>	<b>34,047.2</b>	<b>9,402.3</b>	<b>493.2</b>
70	Lodging Facilities	3,784	1,481.2	1,199.2	60.7
72	Personal Services	8,639	1,489.4	529.7	27.1
73	Business Services	9,131	11,743.9	2,408.6	129.8
75-76	Automotive and Miscellaneous Repair	11,631	6,160.7	2,650.4	134.0
78-79	Motion Pictures and Amusements	2,327	1,390.8	1,121.0	56.3
80-89	Other Services	12,450	11,781.3	1,493.4	85.3
	All Other and Unclassified	10,606	13,335.9	2,027.0	129.0
	Occasional Sales				88.2
	<b>TOTAL</b>	<b>153,650</b>	<b>\$255,545.6</b>	<b>\$65,241.2</b>	<b>\$3,532.7</b>

Note: Detail may not sum to totals due to rounding. Subtotals are not counted in totals to avoid double counting.

## **2. BASEBALL PARK DISTRICT SALES AND USE TAX, 2001**

The baseball park district sales and use tax was authorized by 1995 Act 56. The effect of the Act was to impose a 0.1% sales and use tax in the 5 southeast counties of Milwaukee, Ozaukee, Racine, Washington, and Waukesha as of January 1, 1996. Under 1995 Act 56, the state retains a state administrative fee of 1.5% of tax collections.

Transactions in calendar year 2001 generated baseball park district sales and use taxes of \$23,603,000, net of state administrative fees. Baseball park district sales and use tax proceeds are distributed to the Southeast Wisconsin Professional Baseball Park District.

In 1998 the Department revised the sales and use tax return such that filers do not report baseball park district tax data by county.



### **3. FOOTBALL STADIUM DISTRICT SALES AND USE TAX, 2001**

The football stadium district sales and use tax was authorized by 1999 Act 167. The effect of the Act was to impose a 0.5% sales and use tax in Brown County as of November 1, 2000. 1999 Act 167 specified a state administrative fee of 1.5% of tax collections.

Transactions in calendar year 2001, the first full year the football stadium district sales and use tax was in place, generated proceeds of \$18,320,000, net of state administrative fees. Football stadium district sales and use tax proceeds are distributed to the Green Bay/Brown County Professional Football Stadium District.

#### 4. **PREMIER RESORT AREA TAX BY MUNICIPALITY, 1998, 1999, and 2000**

The premier resort area tax was authorized by 1997 Act 27. Under the law, a qualifying municipality or county may impose a 0.5% tax on the gross receipts from the sale, lease or rental in the municipality or county of goods or services that are (1) subject to the state sales tax and (2) sold by specified tourism-related retailers. 1997 Act 27 also provided for a 3% administrative fee to be deducted from gross tax collections.

Table 2 shows distributions based on sales in calendar years 1999, 2000 and 2001.

**TABLE 2**  
**PREMIER RESORT AREA TAX BY MUNICIPALITY, 1999, 2000 and 2001**

	<u>Village of Lake Delton</u>	<u>City of Wisconsin Dells</u>
1999	\$640,000	\$407,000
2000	\$772,000	\$424,000
2001	\$830,000	\$409,000

## 5. COUNTY SALES AND USE TAX BY BUSINESS CODE AND BY COUNTY, 2001

Table 3 presents county sales and use tax information by business code for the 55 counties that levied the tax in 2001. Partial year data are shown for Lafayette and Marinette counties: Lafayette County enacted a sales and use tax as of April 1, 2001, and Marinette County as of October 1, 2001. Grant County enacted a sales and use tax effective April 1, 2002. The map on the following page shows the counties with a county sales and use tax and the year the tax took effect.

The reader is advised to exercise caution when using these data as indicators of economic activity in a county for the reasons noted on pages 1 and 2.

### **Number of Filers**

"Number of Filers" is the number of businesses in a business code that reported taxable sales in the county in 2001. A business with outlets in more than one county, such as a fast-food chain, is reported as one business in each county in which it operates but as only one business in the summary of "All Counties". As a result, the total number of filers in the "All Counties" summary is not the sum of the number of filers for each county.

Since "occasional sales" are sales by individuals who do not hold a seller's permit, the number of filers for this code is zero. Occasional sales include sales of used motor vehicles, boats, snowmobiles, mobile homes 45 feet or less in length, trailers, semi-trailers, all-terrain vehicles and aircraft. Use tax is imposed on these sales in the county where the property is customarily kept and is collected when the vehicle is registered with the state.

### **Taxable Receipts**

"Taxable Receipts" is the sum of receipts from taxable sales in the county and purchases subject to use tax.

### **Percent of Total**

"Percent of Total" represents the percentage of "Taxable Receipts" in the county attributable to each business code.

### **County Sales Taxes**

"County Sales Taxes" is the amount distributed to the county after deducting the retailer's discount, which compensates retailers for collecting and timely remitting the taxes, and the state administrative fee of 1.75%. 1999 Act 9 increased the state administrative fee from 1.5% to 1.75% of collections.

## COUNTIES WITH SALES TAX AND YEAR TAX WAS IMPOSED

